



M E D I A R E L E A S E

STATE OF TENNESSEE
BUREAU OF TENNCARE

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SINGLE FORMULARY TARGETS PRESCRIPTION DRUG COSTS IN TENNCARE

NASHVILLE, Tenn. – In a move to help control rising prescription drug costs in TennCare, TennCare Director Manny Martins today announced the state will move all TennCare managed care organizations (MCOs) to a single drug formulary, a well-defined list of prescription and non-prescription drugs.

“This move will reduce frustrations among physicians and pharmacists while leveraging the state’s purchasing power with drug companies,” Martins said. “A single formulary will take us another step toward greater efficiency and accountability in TennCare.”

Each of TennCare’s nine MCOs have incorporated its own distinct drug formularies into the pharmacy benefit for their TennCare members, creating confusion for providers who participate in multiple TennCare MCOs by complicating the tasks of diagnosis and treatment and causing potential delays in pharmacy service for some TennCare members.

The Commission on the Future of TennCare recommended in their final report in November 2000 that TennCare develop a structure for a standard drug formulary to increase the overall purchasing power of the state.

A single formulary will help improve provider participation with the health plans by simplifying physicians’ TennCare practice and reducing administrative costs associated with drug appeals.

TennCare will select a Formulary Committee, which will develop the formulary and take feedback from health plans. Once there is a formulary agreement, notice will be given to members, physicians and pharmacists.

The University of Tennessee College of Pharmacy will provide direction on formulary development, and will serve in an advisory role regarding soaring drug costs, including but not limited to TennCare. With UT’s help, the state will develop a plan for implementation of the single formulary with implementation targeted for early 2003.

TennCare is the state’s managed care health insurance program for 1.4 million Tennesseans who are poor, disabled or uninsured.

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